

**EARNET HOMES PRIVATE**  
**LIMITED**

**ANNUAL REPORT**

**2016-2017**

**DIRECTORS** : ARIF SHAIKH  
KRISHNA AMBEKAR

**AUDITORS** : LAHOTI NAVNEET & CO.  
Chartered Accountants  
Mumbai

**REGD. OFFICE** : 3<sup>rd</sup> Floor, Raheja  
Point Vakola,  
Mumbai- 400055  
Maharashtra



# LAHOTI NAVNEET & CO.

Chartered Accountants

516, The Summit Business Bay, Near Cinemax, Chakala, Andheri (E), Mumbai 400093  
Phone 022-26825516 / 09324236755 email : lahotinavneetandco@gmail.com

## INDEPENDENT AUDITOR'S REPORT

### **TO THE MEMBERS OF EARNET HOMES PRIVATE LIMITED REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

We have audited the accompanying standalone financial statements of **EARNET HOMES PRIVATE LIMITED**, which comprise the Balance Sheet as at March 31, 2017 and the Statement of Profit and Loss Account and Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

### **MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of the appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that we were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

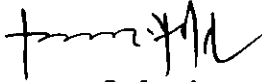
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017
- (b) in the case of the statement of Profit and Loss, of the loss for the year ended on that date and
- (c) in the case of the Cash Flow statement, of the cash for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. This report does not include the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, since in our opinion & according to the information & explanation given to us the said Order is not applicable to the Company.
2. As required under provisions of section 143(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet and Statement of Profit and Loss Account and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the Balance Sheet and Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164(2) of the Act.
  - f) We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 1st September 2017 as per Annexure I expressed.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a. The Company does not have any pending litigations which have material impact on its financial position in its financial statements.
    - b. The Company did not have any long term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
    - c. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year.

- d. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the year from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the company. (Refer Notes to accounts no. 23)

**For Lahoti Navneet & Co,**  
Chartered Accountants  
FRN: 116870W



**CA Navneet Lahoti**  
**Partner**

M.N. 100529

Place: Mumbai

Date: 1st September 2017



## Annexure I

### **Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the financial statements of **EARNET HOMES PRIVATE LIMITED** ("the Company") as on and for the year ended 31 March 2017, we have audited the internal financial controls over financial reporting (IFCoFR) of the company as on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the criteria being specified by the management. These responsibilities includes design, implementation and maintenance of adequate internal financial controls, that were operating effectively, for ensuring orderly and efficient conduct of the company's business including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.

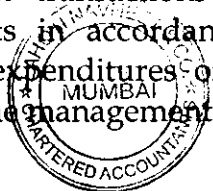
Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that:

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and



3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

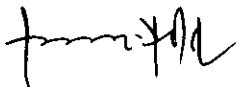
### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

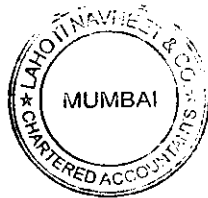
### **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the criteria being specified by management.

**For Lahoti Navneet & Co**  
Chartered Accountants  
FRN: 116870W



**CA Navneet Lahoti**  
Partner  
M.N. 100529



Place: Mumbai

Date: 1st September 2017

**EARNET HOMES PRIVATE LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH 2017**

Amt. in ₹

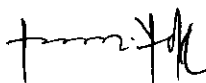
PARTICULARS	Note No.	As at	
		March 31, 2017	March 31, 2016
<b>I EQUITY &amp; LIABILITIES</b>			
1 <u>Shareholders' Funds</u>			
a) Share Capital	2.1	1,08,000	1,08,000
b) Reserves & Surplus	2.2	(11,91,187)	(69,497)
2 <u>Non-Current Liabilities</u>			
a) Long-term borrowings	2.3	2,53,46,48,090	2,28,29,32,902
b) Other Long Term Liabilities	2.4	1,15,56,82,884	-
3 <u>Current Liabilities</u>			
a) Short-term borrowings	2.5	-	1,08,71,953
b) Other current liabilities	2.6	67,750	2,44,08,364
Total		3,68,93,15,537	2,31,82,51,723
<b>II ASSETS</b>			
1 <u>Non-Current Assets</u>			
a) Non-current investments	2.7	56,16,488	56,16,488
b) Long term loans and advances	2.8	86,25,65,994	25,59,26,800
c) Other non-current assets	2.9	67,04,78,667	39,96,37,800
2 <u>Current Assets</u>			
a) Inventories	2.10	1,65,76,527	1,65,73,027
b) Cash & cash equivalent	2.11	74,85,095	71,14,839
c) Short term loans and advances	2.12	2,08,52,00,736	1,52,42,25,189
d) Other current assets	2.13	4,13,92,030	10,91,57,580
Total		3,68,93,15,537	2,31,82,51,723
Significant accounting policies & notes on account	1 & 2		

As per report of even date attached.

**For Lahoti Navneet & Co.**

Chartered Accountants

FRN: 116870W



**NAVNEET LAHOTI**

Partner

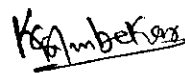
Mem. No. 100529

Place : Mumbai

Date : 1st September 2017



**For Earnet Homes Private Limited**



**KRISHNA AMBEKAR**

Director

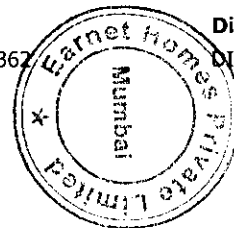
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**ARIF SHAIKH**

Director

DIN : 07545146



**EARNET HOMES PRIVATE LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2017**

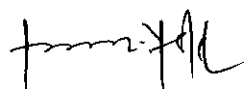
		Amt. in ₹	
PARTICULARS	Note No.	For the year ended on	
		March 31, 2017	March 31, 2016
<b>I INCOME</b>			
a) Other Income	2.14	-	5,000
Total		-	5,000
<b>II EXPENSES</b>			
a) Finance Costs	2.15	10,96,441	3,102
b) Other expenses	2.16	25,250	25,125
Total		11,21,691	28,227
<b>III PROFIT/(LOSS) BEFORE TAX</b>		<u>(11,21,691)</u>	<u>(23,227)</u>
<b>IV LESS: TAX EXPENSES</b>			
a) Current Tax	2.17	-	-
b) Deferred Tax		-	-
c) Tax of earlier years		-	-
<b>V PROFIT/(LOSS) FOR THE YEAR</b>		<u>(11,21,691)</u>	<u>(23,227)</u>
<b>VI EARNINGS PER EQUITY SHARE</b>			
		2.21	
Equity share of par value ₹10/- each			
a) Basic & diluted earnings per share		(1,038.60)	(21.51)
Weighted average number of equity shares			
a) Basic & diluted		1,080	1,080
Significant accounting policies & notes on account	1 & 2		

As per report of even date attached.

**For Lahoti Navneet & Co.**

Chartered Accountants

FRN: 116870W



**NAVNEET LAHOTI**

Partner

Mem. No. 100529

Place : Mumbai

Date : 1st September 2017



**For Earnet Homes Private Limited**



**KRISHNA AMBEKAR**

Director

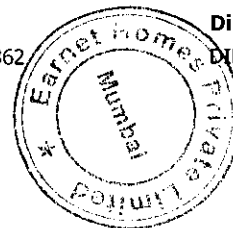
DIN : 03207362



**ARIF SHAIKH**

Director

DIN : 07545146





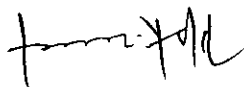
<b>EARNET HOMES PRIVATE LIMITED</b>				
<b>Cash Flow Statement for the year ended 31<sup>st</sup> March, 2017</b>				
(Amount in ₹)				
Particulars	Current Year	Current Year	Previous Year	Previous Year
<u>Cash from Operating activities</u>				
Profit before tax		(11,21,691)		(23,227)
Adjustments for non-cash items		-		-
Operating Profit Before Working Capital Adjustment		(11,21,691)		(23,227)
Movement in working capital				
Decrease/ (Increase) in Current Assets	6,77,62,050		18,44,250	
(Decrease)/ Increase in Current Liabilities & provisions	(2,43,40,614)	4,34,21,436	2,30,09,434	2,48,53,684
		4,22,99,745		2,48,30,458
Less: Income tax Adjustment		-		-
<b>Cash from Operating Activities (A)</b>		4,22,99,745		2,48,30,458
<u>Cash from Investing Activities</u>				
1) Investment in Shares	-		-	
2) Loans & Advances Granted	(1,16,76,14,741)		(11,91,47,750)	
3) Other non-current Assets	(27,08,40,867)		(24,30,88,993)	
<b>Cash from Investing Activities (B)</b>		(1,43,84,55,608)		(36,22,36,743)
<u>Cash from Financing Activities</u>				
1) Proceeds from secured borrowings	-		-	
2) Proceeds from unsecured borrowings	1,39,65,26,119		31,65,80,094	
3) Issue of Shares	-		-	
<b>Cash from Financing Activities (C)</b>		1,39,65,26,119		31,65,80,094
<b>Net increase or decrease in cash and cash equivalents (A+B+C)</b>		3,70,256		(2,08,26,191)
<b>Cash and Cash Equivalents at the beginning of the year</b>		71,14,839		2,79,41,030
<b>Cash and Cash Equivalents at the end of the year</b>		74,85,095		71,14,839
<b>Components of Cash and Cash Equivalents as at</b>		<b>31st March 2017</b>		<b>31st March 2016</b>
<b>Cash on Hand</b>		4,87,713		2,87,713
<b>With Banks- In Current Account</b>		69,97,382		68,27,126
		74,85,095		71,14,839

As per report of even date attached.

**For Lahoti Navneet & Co.**

Chartered Accountants

FRN: 116870W



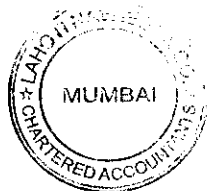
**NAVNEET LAHOTI**

Partner

Mem. No. 100529

Place : Mumbai

Date : 1st September 2017



**For Earnet Homes Private Limited**



**KRISHNA AMBEKAR**

Director

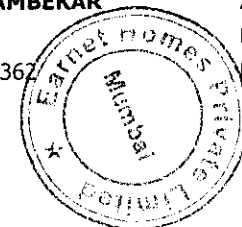
DIN : 03207362



**ARIF SHAIKH**

Director

DIN : 07545146



# EARNET HOMES PRIVATE LIMITED

## 1. -Significant Accounting Policies for the year ended 31<sup>st</sup> March 2017

### Nature of operations

Earnet Homes Private Limited was incorporated on 20th December, 1994 as a private limited Company. The Company is formed to establish and carry on the business as real estate developers, property owners and builders

### Significant accounting policies

#### 1.1 Basis of preparation of financial statements

- a. The financial statements have been prepared under the historical cost convention on accrual basis, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013. Accounting Standards (AS) referred to in the notes are as issued by the Institute of Chartered Accountants of India.
- b. The preparation of financial statements requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.
- c. Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.
- d. Amounts in the financial statements are presented in ` , except for per share data and as otherwise stated. All exact amounts are stated with suffix "/-".

#### 1.2 Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make judgments, estimates and assumptions that effects the reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities as on the date of the financial statements. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods .

#### 1.3 Fixed Assets And Depreciation

- a. Fixed Assets are stated at cost of acquisition less Accumulated Depreciation.
- b. Depreciation is provided on Straight Line Method basis (SLM) on Depreciable amount i.e 95% of cost of the assets over the estimated useful lives of the assets. Estimated useful lives of assets as provided in Sch II of Companies Act 2013.

#### 1.4 Investments

- a. Investments which are readily realizable and intended to be held for not more than one year from the date on which investment are made are classified as Current Investments. All other investments are classified as Non Current Investments.
- b. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.
- c. Non current investment are carried at cost. However provision for the diminution is to be made to recognize a decline other than temporary in the value of investments.

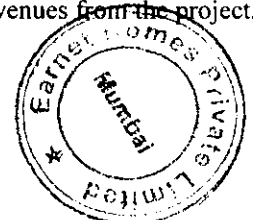
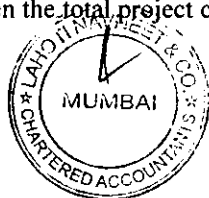
#### 1.5 Inventories

- a. Raw materials, components, stores and spares are valued at lower of cost and net realizable value.
- b. Net realizable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

#### 1.6 Revenue recognition

##### a . Real estate projects

1. Revenue from real estate projects is recognized on the "Percentage Of Completion"(POC) Method.
2. Revenue is recognized in relation to the sold areas on transfer of all significant risks and rewards of ownership to the buyer i.e on issue of booking /allotment letter. Total sales consideration of sold areas is recognized as revenue on the basis of percentage of actual costs incurred to the estimated total project cost, including land, construction, borrowing cost, project management expenses and development cost of projects under execution, subject to actual cost being 25 percent or more of the total estimated cost of projects.
3. The stage of completion under the POC method is measured on the basis of percentage that actual costs incurred on real estate projects including land, construction and development cost bears to the total estimated cost of the project. The estimates of the projected revenues, projected profits, projected costs, cost to completion and the foreseeable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, loss is recognized immediately.



## **b. Income from construction contracts**

Revenue from construction contracts is recognized on the Percentage of Completion method of accounting. Income from construction contracts is recognized by reference to the stage of completion of the contract activity as certified by the client. Revenue on account of contract variations, claims and incentives are recognized upon determination or settlement of the contract.

## **c. Interest**

Income from Interest is recognized on time proportion basis wherever recovery of the same is reasonably certain.

## **1.7 Foreign Exchange Transactions**

- a. Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the time of transaction.
- b. Monetary items denominated in foreign currencies are restated at the year end exchange rates.
- c. Non monetary foreign currency items are carried at the exchange rate prevailing on the date of transactions
- d. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account.

## **1.8 Borrowing Costs**

Borrowing costs that are attributable to the acquisition and/or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to other than temporary intervention. All other borrowing costs are charged to the profit and loss account as incurred.

## **1.9 Expense Recognition**

Indirect cost are treated as period costs and are charged to the Profit & Loss Account in the year incurred. Expenses incurred on repairs & maintenance of completed projects are charged to Profit & Loss Account. Preliminary expenses are charged to profit and loss account in the year in which they are incurred.

## **1.10 Leases**

Lease arrangements where the risk and rewards incident to ownership of assets substantially vest with the lessor are recognized as operating lease. Lease rent under operating lease are charged to profit and loss account on a straight line basis over the lease term.

## **1.11 Taxation**

Income tax expense comprises current tax expense and deferred tax expense/credit.

### **a. Current tax**

Provision for current tax is calculated in accordance with the provisions of the Income-Tax Act, 1961 and is made annually based on the tax liability computed after considering benefits admissible under the provisions of the Income Tax Act, 1961.

### **b. Deferred tax**

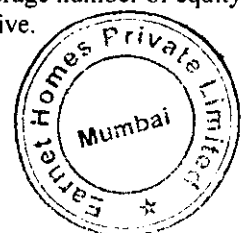
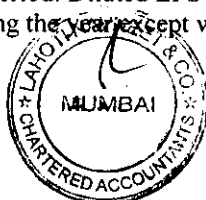
Deferred tax resulting from "timing differences" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future. However, in respect of unabsorbed depreciation or carry forward loss, the deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in future. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

## **1.12 Provisions and Contingencies**

- a. The Company creates a provision when there is present obligation as a result of past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- b. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.
- c. Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognized in the period in which the change occurs.

## **1.13 Earnings per share ('EPS')**

Basic EPS is computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year/period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year except where the results would be anti dilutive.



## EARNET HOMES PRIVATE LIMITED

### 2. NOTES ON ACCOUNTS FOR YEAR ENDED MARCH 31, 2017

The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current period presentation:

Particulars	Amt. in ₹	
	As at	
	March 31, 2017	March 31, 2016
<b>2.1 SHARE CAPITAL</b>		
Authorised Capital:		
5000 Equity Shares of ₹ 100/- each	5,00,000	5,00,000
Issued, Subscribed & Paid up:		
1080 Equity Shares of ₹ 100/- each fully paid	1,08,000	1,08,000
	<u>1,08,000</u>	<u>1,08,000</u>

The company has only one class of shares referred to as equity shares having a par value of ₹100/-. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Shares held by holding/ultimate holding company and/or their subsidiaries/associates:

Out of the equity shares issued by the company, shares held by its holding company are as below:

Particulars	As at	
	March 31, 2017	March 31, 2016
<b>Marker Infracon Pvt Ltd., the holding company</b>		
1080 (Previous year - 1080) equity shares of ₹100 each fully paid.	72,000	72,000
	<u>72,000</u>	<u>72,000</u>

The reconciliation of the number of outstanding shares as at 31st March 2017 and 31st March, 2016 is set out below:

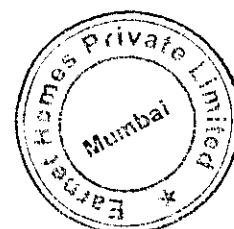
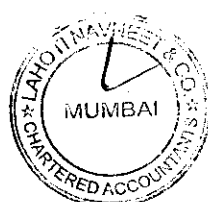
Particulars	As at 31.03.2017		As at 31.03.2016	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,080	1,08,000	1,080	1,08,000
Add: Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<u>1,080</u>	<u>1,08,000</u>	<u>1,080</u>	<u>1,08,000</u>

The details of shareholder holding more than 5% shares as at 31st March, 2017 and 31st March 2016 is set out below:

Name of the Shareholder	As at 31.03.2017		As at 31.03.2016	
	No. of Shares	% held	No. of Shares	% held
Marker Infracon Pvt Ltd.	720	66.66%	720	66.66%
Marker Infracon Pvt. Ltd. / Jt. Mr. Vijay S. Tann	360	33.33%	360	33.33%

Particulars	Amt. in ₹	
	As at	
	March 31, 2017	March 31, 2016
<b>2.2 RESERVES &amp; SURPLUS</b>		
Profit & Loss Account		
- Opening Balance	(69,496)	(46,270)
- Profit/(Loss) for current year	(11,21,691)	(23,227)
	<u>(11,91,187)</u>	<u>(69,497)</u>

Particulars	Amt. in ₹	
	As at	
	March 31, 2017	March 31, 2016
<b>2.3 LONG -TERM BORROWINGS</b>		
Unsecured loans		
- From related parties	-	1,91,25,679
- From Others	2,53,46,48,090	2,26,38,07,223
	<u>2,53,46,48,090</u>	<u>2,28,29,32,902</u>



**EARNET HOMES PRIVATE LIMITED****2. NOTES ON ACCOUNTS FOR YEAR ENDED MARCH 31, 2017****2.4 OTHERS LONG -TERM LIABILITIES**

Amt. in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
	Advance Taken for Joint Venture under Negotiation	1,15,56,82,884
	1,15,56,82,884	-

**2.5 SHORT-TERM BORROWINGS**

Amt. in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
	Unsecured loans	
- From Others	-	1,08,71,953
	-	1,08,71,953

**2.6 OTHER CURRENT LIABILITIES**

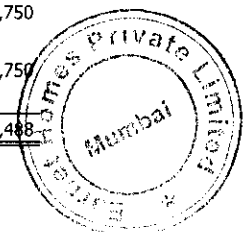
Amt. in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
	Others	
- Expenses payable	25,000	56,715
- Statutory dues payable	-	2,43,08,899
- Creditors for investments #	42,750	42,750
	67,750	2,44,08,364

**2.7 NON CURRENT INVESTMENT**

Amt. in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
	Long Term Investments (At Cost)	
Equity Shares- Unquoted		
Able Realty Pvt. Ltd	9,500	9,500
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Creator Builders Pvt. Ltd.	31,99,738	31,99,738
2000 (P Y 2000) Equity shares of ₹10/- each fully paid		
Dallas Traders & Developers Pvt. Ltd.	23,26,500	23,26,500
45 (P Y 45) Equity shares of ₹100/- each fully paid		
Faith Realtors Pvt. Ltd.	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Flyhigh Realtors Pvt. Ltd	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Glowster Properties Pvt. Ltd.	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Luxuria Realtors Pvt. Ltd.	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Makshi Real Estate Developers Pvt. Ltd.	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Proper Buildcon Pvt. Ltd.	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Quality Realty Pvt. Ltd.	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Queentown Projects Pvt. Ltd	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Ragini Real Estate Developers Pvt. Ltd.	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Rendition Realtors Pvt. Ltd.	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Skill Realtors Pvt. Ltd.	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Spectacular Buildcon Pvt. Ltd.	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Uniworth Real Estate Developers Pvt. Ltd.	9,500	9,500
950 (P Y 950) Equity shares of ₹10/- each fully paid		
Virtuous Buildcon Pvt. Ltd.	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
Westwing Developers Pvt. Ltd	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
White Lion Real Estate Developers Pvt. Ltd	4,750	4,750
475 (P Y 475) Equity shares of ₹10/- each fully paid		
	56,16,488	56,16,488



**EARNET HOMES PRIVATE LIMITED****2. NOTES ON ACCOUNTS FOR YEAR ENDED MARCH 31, 2017****2.8 LONG TERM LOANS AND ADVANCES**

Amt. in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Unsecured Loans Granted		
-To others	86,25,65,994	25,59,26,800
	86,25,65,994	25,59,26,800

**2.9 OTHER NON-CURRENT ASSETS**

Amt. in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Expenses pending for appropriation	67,04,78,667	39,96,37,800
	67,04,78,667	39,96,37,800

**2.10 INVENTORIES**

Amt. in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
-Project Work in progress	1,65,76,527	1,65,73,027
	1,65,76,527	1,65,73,027

**2.11 CASH & CASH EQUIVALENTS**

Amt. in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
(As certified by the Management)		
Cash in hand	4,87,713	2,87,713
Balances with scheduled banks		
- In current accounts	69,97,382	68,27,126
	74,85,095	71,14,839

The details of balances as on balance sheet dates with banks are as follows:

Amt. in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
In current account		
- Axis Bank Ltd, Santacruz (west) (A/c No. 910020013359490)	69,32,217	68,09,691
- Axis Bank Ltd, Turner Road, Bandra (A/c No.028010200027131)	4,382	3,382
- Union Bank of India, Hill Road, Bandra (A/c No.315601010036709)	60,783	14,053
	69,97,382	68,27,126

**2.12 SHORT TERM LOANS AND ADVANCES**

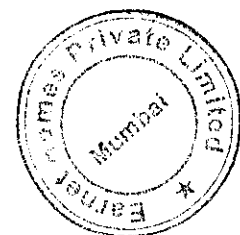
Amt. in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
(Unsecured, considered good)		
Loan given		
to others	94,56,61,876	1,25,09,05,189
Advance given for joint venture under negotiation	1,13,95,38,860	27,33,20,000
	2,08,52,00,736	1,52,42,25,189

**2.13 OTHER CURRENT ASSETS**

Amt. in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Balance with Revenue Authority	6,590	9,680
Other Receivable	4,13,85,440	10,91,47,900
	4,13,92,030	10,91,57,580



**EARNET HOMES PRIVATE LIMITED****2. NOTES ON ACCOUNTS FOR YEAR ENDED MARCH 31, 2017****2.14 Other Income**

Particulars	For the year ended on	
	March 31, 2017	March 31, 2016
Professional Fees reversed	-	5,000
	-	5,000

**2.15 FINANCE COSTS**

Particulars	For the year ended on		Amt. in ₹
	March 31, 2017	March 31, 2016	
Bank Charges	2,541	3,102	
Interest on TDS payment	10,93,900	-	
	10,96,441	3,102	

**2.16 OTHER EXPENSES**

Particulars	For the year ended on		Amt. in ₹
	March 31, 2017	March 31, 2016	
Audit Fees			
- Statutory audit fees	25,000	25,000	
Fees, Rates & Taxes	250	125	
	25,250	25,125	

**2.17 TAX EXPENSES**

Particulars	For the year ended on		Amt. in ₹
	March 31, 2017	March 31, 2016	
- Current Tax	-	-	
- Deferred Tax	-	-	
- Tax of earlier years	-	-	
	-	-	

**2.18 CONTINGENT LIABILITIES (TO THE EXTENT NOT PROVIDED FOR**

The company does not anticipate any contingent liability.

**2.19 DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:**

No amount is due under the Micro, Small and Medium Enterprises Development Act, 2006 as per information and explanation provided by the management.

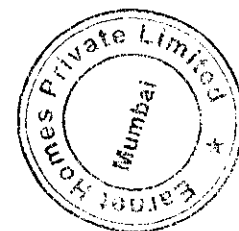
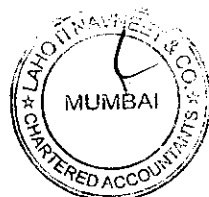
**2.20 EMPLOYEES BENEFIT PLANS:**

The company does not have any employee; hence no provision has been made towards retirement obligations.

**2.21 EARNING PER SHARE:**

Particulars	For the year ended on	
	March 31, 2017	March 31, 2016
<b>Earning Per Share:</b>		
- Profit/(Loss) Before Taxation	(11,21,691)	(23,227)
- Less: Provision for Taxation	-	-
- Net Profit/(Loss) for EPS	(11,21,691)	(23,227)
- Weighted avg number of Equity Shares outstanding (Incl. partly paid-up shares)	1,080	1,080
- Basic & Diluted EPS (₹)	(1,038.60)	(21.51)

Note: There is no potential equity shares outstanding during the year under review. Hence Basic EPS & Diluted EPS remains same.



**EARNET HOMES PRIVATE LIMITED****2. NOTES ON ACCOUNTS FOR YEAR ENDED MARCH 31, 2017****2.22 REMUNERATION TO AUDITORS:**

Particulars	Amt. in ₹	
	For the year ended on	
	March 31, 2017	March 31, 2016
For Audit Fees	25,000	25,000
For Tax Audit	-	-
For Other Fees	-	-
	<u>25,000</u>	<u>25,000</u>

**2.23 DISCLOSURE UNDER SECTION 186 OF COMPANIES ACT, 2013**

Loan Given; The company has claimed interest as required us 186 of the Companies Act , 2013 on the fresh/New loan (if any) given after 1st April 2014 except on transaction thereafter to honour commitments prior to 31.3.2014.

**2.24 DISCLOSURE OF DETAILS OF SPECIFIED BANK NOTES ("SBN"):**

The details of Specified Bank Notes ("SBN") held and transacted during the period from 08th November 2016 to 30th December 2016 is given as under:

Particulars	SBNs	Other Notes	Total
Closing Cash in Hand as on 08-11-2016	-	2,87,713	2,87,713
Add: Permitted Receipt	-	-	-
Add: Withdrawals from Banks	-	1,50,000	1,50,000
Less: Permitted Payments/ Expenses	-	-	-
Less: Deposited in Banks	-	-	-
Closing Cash in Hand as on 30-12-2016	-	4,37,713	4,37,713

**2.25 OTHER INFORMATION**

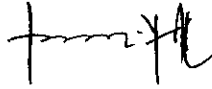
Other information required under Part I & Part II of Schedule III to The Companies Act, 2013 are either NIL or NOT APPLICABLE.

As per report of even date attached.

**For Lahoti Navneet & Co.**

Chartered Accountants

FRN: 116870W



**NAVNEET LAHOTI**

Partner

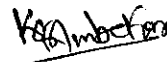
Mem. No. 100529

Place : Mumbai

Date : 1st September 2017



**For Earnet Homes Private Limited**



**KRISHNA AMBEKAR**

Director

DIN : 03207362




**ARPT SINGH**

Director

DIN : 07545146